

March 26, 2025

**THE BOARD OF DIRECTORS**  
Overseas Filipino Bank, Inc.

**SUBJECT: Annual Performance Rating System for the OFB Board of Directors for CY 2024**

Dear **Directors**:

Greetings from OFBank!

In compliance with the Annual Performance Rating System for Calendar Year 2024, as required by the Bank's Manual for Corporate Governance, we kindly request each member of the Board to complete the attached Performance Evaluation Report. This system covers the evaluation of the Board of Directors as a whole, and Individual Directors.

We would appreciate it if you could accomplish the forms at your earliest convenience. Should you have any questions regarding the rating system or the forms, please feel free to contact Ms. Mary Calacasan via email at [mccalacasan@ofbank.com](mailto:mccalacasan@ofbank.com) or by phone at [09175907797](tel:09175907797). You may also submit the accomplished forms to the aforementioned email address.

Thank you for your cooperation.



**ATTY. KARL D. ANTONIO**  
Corporate Secretary

# Performance Rating System

Evaluation:

## Board of Directors

developed by:



for the exclusive use of:



This rating instrument is divided into four categories with corresponding weights.

### **I. Board Functions and Responsibilities (30%)**

The Board is a collegial body, conferred by law with original powers to decide on behalf of the Bank. It should act in the long-term interest of the Bank with fairness, accountability and transparency in an ethically and socially responsible manner. Broadly defined, the main functions of the Board are in the areas of: Strategy, Policy, Monitoring and Accountability.

### **II. Board Structure (10%)**

In order to carry out its functions, the Board should consider its composition, the need for qualified independent directors, the arrangements for recruiting such directors, their induction, training and tenure.

### **III. Board Process (30%)**

The Board should articulate a policy on its agenda of work and the process to get that work done. It is important to establish and record protocols especially on all the potentially controversial and difficult aspects of the ways in which the directors will work together in order to enhance teamwork and harmony.

### **IV. Board Performance (30%)**

The Board should have mechanisms that gauge the directors' abilities, willingness and commitment to contribute.

The final scores:	80% - 84.99%	acceptable
	85% - 94.99%	ideal
	95% -100.00%	superior

## Evaluation: Board of Directors

Evaluating the Board of Directors' performance is an important tool that allows you to go over the Board and its members' responsibilities and manage expectations. This exercise will allow you to identify strengths and areas for improvement, helping you to set goals for a more effective performance.

In making an assessment of the Board, please provide your answer on the rightmost column, on a scale of 1 to 5.

**1 – No, I strongly disagree. This is not a practice.**

**2 – No, but this is practiced once in a while / there are efforts to do so.**

**3 – Undecided. Mechanisms are in place but are not executed satisfactorily or consistently.**

**4 – Yes, I agree, but there is some room for improvement.**

**5 – Yes, I strongly agree.**

If you have additional comments or wish to qualify your answers, a space is provided at the end of this assessment form.

### I. BOARD FUNCTIONS AND RESPONSIBILITIES (30%)

CHECKLIST	RATING				
	1	2	3	4	5
1. Has the Board formulated a corporate strategy for the Bank?					
2. Has the Board specified core values for the Bank?					
3. Has the Board formulated/reviewed the Mission Statement as a permanent reference to guide the Bank in strategy execution?					
4. Has the Board put forward/reviewed a Vision Statement, which articulates what the Bank sees itself becoming in the foreseeable future (3 to 5 years or any other realistic time frame)?					
5. Has the Board indicated its short list of strategic priorities the Bank must pursue?					
6. Has the Board ensured proper balance in its list of strategic priorities which also need to be interconnected with each other?					
7. Has the Board asked for clear targets including the set timelines of specific initiatives and action programs in support to the Bank's strategic priorities?					
8. Has the Board asked for clear measures by which to track progress in the Bank's pursuit of its strategic priorities?					
9. Does the Board set aside time for a strategic review so as to assess performance and possible progress in strategy execution?					
10. Is the Board proactive in formulating policies to direct management towards effective strategy execution?					
11. Has the Board formulated policies on corporate incentives, rewards and recognition?					
12. Is the annual performance rating system connected with strategy execution?					
13. Is the accountability system set up to secure the alignment of all groups, departments, and support units with the execution of the annual plans and corporate strategy?					
14. Is the Code of Ethics being observed?					
15. Is social responsibility embedded in the Bank's corporate culture?					
16. Is a culture of governance and responsibility being made to take root in the Bank through the annual performance rating system that ties individual contribution to strategy execution?					
17. Is the culture of governance and responsibility continuously being strengthened in the Bank?					
18. Does the Board undertake an annual performance evaluation of the President and CEO?					

## II. BOARD STRUCTURE (10%)

CHECKLIST	RATING				
	1	2	3	4	5
1. Does the Board have independent directors?					
2. Do members of the Board contribute proactively, positively and meaningfully to Board deliberations in the process of arriving at Board decisions?					
3. Have Board Committees (Audit Committee, Risk Management Committee, Corporate Governance Committee and Trust Committee) been set up, and are they functioning properly, at least by meeting regularly, following the written charters specified for their duties?					
4. Are members of the Board Committees independent in their actuations and contributions as they discharge their Committee duties?					
5. Is the Board effectively living up to its duties towards the shareholders of the Bank, the Philippine government?					
6. Is the Board properly organized to ensure that its duties towards other stakeholders are professionally and effectively discharged?					
7. Are qualified professionals appointed to key offices to assist the Board? (Corporate Secretary, Compliance Management, Risk Management and Internal Audit)					
8. Rate the diversity of the Board in terms of their educational attainment, work experience & disciplines, skills and expertise. 1 – insufficient 2 – needs improvement 3 – acceptable 4 – good 5 – excellent					
9. Does the Board have the right mix of experience and background?					

### III. BOARD PROCESS (30%)

CHECKLIST	RATING				
	1	2	3	4	5
1. Does the Chair engage the participation of all members of the Board, particularly in getting them to contribute to strategy formulation and oversight of strategy execution?					
2. Does the Chair ensure for the President and CEO enough discretion so that management takes on the responsibility for executing strategy?					
3. Does the President and CEO keep the Board fully informed of progress and problems arising from strategy execution?					
4. Does the Board give the President and CEO sufficient direction but enough authority and responsibility to lead and manage the organization successfully?					
5. Does the President and CEO cascade the demands of corporate strategy down to the groups, departments, and support units which are required to formulate their own support strategies fully supportive of the priorities in the corporate strategy?					
6. Does the President and CEO require all heads of groups, departments and support units which are required to specify measures, targets and initiatives (by which they contribute to the achievement of corporate strategic priorities) through scorecards that are reported regularly, at least on a quarterly basis?					
7. Does the President and CEO measure performance mainly on the basis of those specific measures, targets and initiatives through scorecards that are reported regularly, at least on a quarterly basis?					
8. Are members of the Board given enough opportunity to engage in open dialogue so they would be part of the Board decision-making process?					
9. Does the Board conduct regular meetings twice a month?					
10. During meetings, is enough time being allocated to help the Board fulfill its core functions properly?					
11. Does the Corporate Secretary have attendance records of Board meetings?					
12. Do Board Committees meet regularly and their minutes of meeting regularly submitted and confirmed by the Board?					
13. Are the minutes of the meeting duly taken and show details about the deliberation, particularly positions of directors on key issues?					
14. Has the Board formally adopted a Board Protocol, which clearly spells out, among others, the functions of the Board, what is expected of them, and the duties and responsibilities of each individual director?					
15. Does the Board assess whether those functions are properly performed during performance review?					
16. Do directors have a right and a duty to bring to the attention of the Board any serious issues or material matters which are of concern to them?					
17. Does the Board have clear delegation of authority to senior management and regularly review management effectiveness?					
18. Does the Board have a clear communication process with senior management?					

CHECKLIST	RATING				
	1	2	3	4	5
19. Does the Board require the Bank subsidiaries to submit, at least quarterly, their accomplishments, targets, and annual plans and programs?					
20. Are the directors able to observe the delineation between Board and management responsibilities, separating themselves from management and operational issues, but exercising diligent oversight over them?					
21. Does the Board have a document which defines and enumerates “conflicts of interests”?					
22. In case of conflicts, does the Board follow a systematic disclosure procedure to resolve such conflicts?					
23. Does the Board ensure the disclosure of facts and material information before arriving at a decision?					
24. Does the Board have a Code of Corporate Governance?					
25. Does the Board comply with the DOSRI rules?					
26. Does the Board control the agenda for its meetings?					
27. Before every Board meeting, does the Chair meet the President and CEO to settle the agenda?					
28. Do the Chair and the President and CEO set forth an annual calendar to ensure that all key issues are reviewed and studied by the Board?					
29. Does the Board schedule strategy review sessions annually?					
30. Does the Corporate Secretary facilitate the proper and effective functioning of the Board and ensure that Board procedures are followed?					

#### IV. BOARD PERFORMANCE (30%)

CHECKLIST	RATING				
	1	2	3	4	5
1. Does the Board have a policy on its conduct of the annual performance rating system?					
2. Does the Chair ensure the implementation of the annual performance rating system?					
3. Is this annual performance rating instrument effective and comprehensive?					
4. Does the annual performance rating system ensure independence of evaluation?					
5. Does the annual performance rating system identify what is required of a director, as a basis for evaluation?					
6. Does the Board provide realistic opportunities for directors to acquire the necessary skills and knowledge complementing what they already have?					
7. Has the Board established the method and frequency of monitoring the performance of each individual director, the Board Committees and the Board as a whole?					
8. Does the Board evaluate the performance of each Committee?					
9. Is the Board open to engaging or to seeking an external facilitator in accomplishing the Performance Rating System whenever needed?					
10. Is the evaluation of each Committee aligned with the corporate strategy?					
11. Does the Board have a mechanism to enable all Board members to contribute or support the President and CEO and top management?					
12. Does the Board regularly enhance the annual performance rating system as a positive tool to strengthen the Board?					

Comments, Observations, &amp; Suggestions:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

*Signature of Director*

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*Date Accomplished*



# Performance Rating System

Evaluation:

## Individual Directors

developed by:



for the exclusive use of:



This rating instrument includes questions on the following:

- I. Competence and Independence (25%)
- II. Commitment to Corporate Governance (25%)
- III. Transparency (20%)
- IV. Audit & Risk Oversight (20%)
- V. Committee Activity (10%)

The final scores:	80% - 84.99%	acceptable
	85% - 94.99%	ideal
	95% - 100.00%	superior

## Evaluation: Self-Evaluation of Individual Directors

Evaluating your performance as a director is a crucial tool that allows you to review your responsibilities, and identify your strengths and areas for improvement, and helps you to set goals for a more effective performance.

In completing the self-assessment, write your answer on the rightmost column, on a scale of 1 to 5.

- 1 – No, I strongly disagree. I do not practice this.**  
**2 – No, but I try to do so.**  
**3 – Undecided. Only occasionally.**  
**4 – Yes, I agree, but there is some room for improvement.**  
**5 – Yes, I strongly agree.**

If you have additional comments or wish to qualify your answers, a space is provided at the end of this assessment form.

CHECKLIST	RATING				
	1	2	3	4	5
<b>Competence and Independence</b>					
1. Do I actively participate in Board meetings?					
2. Do I think and act independently in all my decisions as a member of the Board of Directors?					
3. Do I speak up on critical matters requiring objective opinion even if my views differ from the norm?					
4. Do I listen and respond tactfully to the opinions of others that are not aligned with my own (without compromising my independent position)?					
5. Do I know the role of the Board in strategy formulation, analysis and implementation, and the distinction from that of management?					
6. Do I actively participate in strategy formulation?					
7. Do I regularly review management's strategic annual plans and provide oversight to top management?					
8. Am I aware about the issues and processes involved in formulating, implementing and controlling the Bank's corporate and business strategies?					
9. Can I identify the challenges and areas where Board's effectiveness can be improved?					
10. Do I take an active part in championing reform (when needed)?					
11. I concurrently hold (inclusive of LandBank) corporate directorships in: 10 or more institutions      - mark box # 1 8 to 9 institutions          - mark box # 2 6 to 7 institutions          - mark box # 3 4 to 5 institutions          - mark box # 4 1 to 3 institutions          - mark box # 5					
12. Do I seek additional knowledge and skills training relevant to my directorship?					

<b>Commitment to Corporate Governance</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
13. Do I contribute in defining and communicating the Bank's corporate vision, mission and core values?					
14. Do I devote sufficient time to familiarize myself with the Bank's operations?					
15. Do I have a working knowledge of the statutory and regulatory requirements affecting Bank operations?					
16. Do I scrutinize and analyze key agenda items for Board meetings ahead of time?					
17. Do I conscientiously attend every Board meeting?					
18. Am I always punctual for Board meetings?					
19. Do I effectively engage in the discussions on issues brought to the Board?					
20. Am I aware of my duties and responsibilities and observe it at all times?					
21. Does my behavior conform to the precepts prescribed by the Code of Ethics?					
22. Does the Bank have a Code of Ethics that a director signs into upon appointment as a director?					
23. Do I strictly adhere to the Code of Corporate Governance?					

<b>Transparency</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
24. Do I ensure disclosure of facts and material information from management before arriving at a decision?					
25. Do I require the Bank's management to disclose required information to the stakeholders and the general public?					
26. Do I conduct a thorough and conscientious evaluation of issues, ask questions and seek clarification when necessary before arriving at a decision?					
27. Do I ensure that matters taken up in the Board are not subordinated by my personal interest?					
28. Do I fully reveal conflicts of interest?					
29. When potential or actual conflicts of interest are found, do I abstain from participating or voting?					

<b>Audit &amp; Risk Oversight</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
30. Do I have a sound background and knowledge of the Bank's accounting, financial terminologies and concepts?					
31. Do I ensure that external and internal audit findings are properly discussed and acted upon?					
32. Do I ensure that risk limits are strictly complied and deviations are properly addressed or justified?					
33. Do I ensure that persons responsible for deviations are managed and appraised?					
34. Do I fully evaluate and identify risk factors for loan proposals presented to the Board for approval/confirmation?					
35. Do I ensure that all the policies and procedures of the Bank are strictly followed / implemented by management?					

<b>Committee Activity</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
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